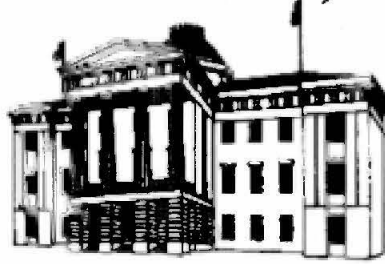


State of North Carolina



BEVERLY EAVES PERDUE
GOVERNOR

EXECUTIVE ORDER NO. 3

ON-SITE AND STATE-STAT PERFORMANCE MANAGEMENT AND ACCOUNTABILITY

WHEREAS, the citizens of North Carolina deserve excellent results from government programs and services; and

WHEREAS, the State should maximize efficiency and effectiveness when spending taxpayer dollars; and

WHEREAS, improving program and management performance requires commonly understood goals, clear measurement of the goals, and transparent reporting of progress; and

WHEREAS, G.S. §143B-10(h) requires departments to submit a plan of work that will serve as a base for development of budgets; and

WHEREAS, G.S. §143C requires the executive branch and grantees to report on program efficiency and effectiveness;

NOW, THEREFORE, pursuant to the authority vested in me as Governor by the Constitution and laws of the State of North Carolina, **IT IS ORDERED**.

The State of North Carolina shall establish a comprehensive performance and budget system that incorporates performance management and accountability techniques that include strategic planning, improvement of management functions, and a formal program review and accountability program. This system shall be developed following a review of best practices in other states and may include, but not be limited to, the following:

Section 1. Strategic Planning

Each department shall develop a strategic planning process and continually update a strategic plan in compliance with guidance from the Office of State Budget and Management (OSBM) and the Governor's Policy Office. Departments shall submit their plans annually to OSBM and